Micheal J. Frevola Lissa D. Schaupp **HOLLAND & KNIGHT LLP** 195 Broadway New York, NY 10007-3189 (212) 513-3200

ATTORNEYS FOR DEFENDANT CLEARLAKE SHIPPING LTD. BVI

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

"TRUST A" MARITIME LIMITED,

Plaintiff,

-against-

CLEARLAKE SHIPPING LTD. BVI,

Defendant.

08 Civ. 4987 (RJS)

VERIFIED ANSWER

NOW COMES Defendant, Clearlake Shipping ("Clearlake" or "Defendant"), by and through its attorneys, Holland & Knight LLP, answering the Verified Complaint of Plaintiff "Trust A" Maritime ("Trust" or "Plaintiff"), and respectfully alleges as follows:

- 1. Admits the allegations set forth in paragraph "1" of the Verified Complaint.
- 2. Denies having knowledge or information sufficient to form a belief as to the truth or falsity of the allegations set forth in paragraph "2" of the Verified Complaint.
 - 3. Admits the allegations set forth in paragraph "3" of the Verified Complaint.

- 4. Denies that the quantity of cargo aboard the Vessel during the voyage was 20,550.166 metric tons of gas oil. According to the Statement of Facts, the quantity of cargo aboard the Vessel during the voyage was 20,550.453 metric tons. Admits the remainder of the allegations set forth in paragraph "4" of the Verified Complaint.
 - 5. Admits the allegations set forth in paragraph "5" of the Verified Complaint.
 - 6. Admits the allegations set forth in paragraph "6" of the Verified Complaint.
 - 7. Admits the allegations set forth in paragraph "7" of the Verified Complaint.
 - 8. Admits the allegations set forth in paragraph "8" of the Verified Complaint.
 - 9. Admits the allegations set forth in paragraph "9" of the Verified Complaint.
 - 10. Denies the allegations set forth in paragraph "10" of the Verified Complaint.
- 11. Admits that pursuant to the Charter Party disputes between Trust and Clearlake are subject to English law. Denies the remainder of the allegations set forth in paragraph "11" of the Verified Complaint.
- 12. To the extent paragraph "12" asserts legal conclusions, no response is required.

 Denies the remainder of the allegations set forth in paragraph "12" of the Verified Complaint.
- 13. To the extent paragraph "13" asserts legal conclusions, no response is required.

 Denies the remainder of the allegations set forth in paragraph "13" of the Verified Complaint.
 - 14. Denies the allegations set forth in paragraph "14" of the Verified Complaint.

FURTHER ANSWERING THE COMPLAINT, AND AS FOR SEPARATE, PARTIAL AND/OR COMPLETE DEFENSES THERETO, DEFENDANT CLEARLAKE STATES:

- 15. The Verified Complaint fails to state a cause of action upon which relief may be granted.
- 16. Clearlake is not liable to Trust on the causes of action alleged in the Verified Complaint.
 - 17. This Courts lack personal jurisdiction over Defendant.
 - 18. This Court lacks *quasi in rem* jurisdiction over Defendant.
 - 19. Trust has improperly and/or insufficiently served process on Clearlake.
 - 20. Trust's claims are barred by the equitable doctrine of unclean hands.
- 21. Any damages sustained by Trust, as alleged in the Verified Complaint, were proximately caused by the negligent acts of third persons whom Clearlake has no direction or control.
- 22. Trust is guilty of culpable conduct in the events giving rise to the claims now asserted in the Verified Complaint, and its recovery, if any, must be diminished in proportion thereto.
- 23. Trust's claims are overstated in the level of security sought from and provided by Clearlake and should be reduced to a reasonable sum.
- 24. Trust has overstated the rate of interest applicable to the principal amount of its claim for which it seeks security in this Rule B action.

- 25. Trust has overstated the amount of legal costs for which it seeks security in this Rule B action.
- 26. Clearlake pleads by way of defense and/or limitation every provision in the parties' charter party.
 - 27. Clearlake has failed to mitigate its damages.
- 28. This Answer is made without waiver of any of the jurisdictional defenses or rights to arbitrate that may exist between the parties.
- 29. Clearlake reserves the right to assert any and all additional defenses as may be revealed by further investigation and discovery.

PRAYER FOR RELIEF

WHEREFORE, the Defendant Clearlake Shipping Ltd. BVI respectfully requests:

- 1. That this Court dismiss the Plaintiff's Verified Complaint against the Defendant with prejudice;
- 2. That this Court grant Clearlake such other and further relief as the Court may deem just and proper.

Dated:

New York, New York

June 18, 2008

HOLLAND & KNIGHT LLP

By:

Michael J. Frevola

Lissa D. Schaupp

HOLLAND & KNIGHT LLP

195 Broadway

New York, New York 10007

(212) 513-3200

Attorneys for Defendant Clearlake Shipping Ltd. BVI

TO: LYONS & FLOOD, LLP

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New York, New York

10018

Attorneys for Plaintiff

Case 1:08-cv-04987-RJS Document 6 Filed 06/18/2008 Page 6 of 6

VERIFICATION

STATE OF NEW YORK)

:ss.:

)

COUNTY OF NEW YORK

LISSA D. SCHAUPP, being duly sworn, deposes and says:

I am associated with the firm of Holland & Knight LLP, counsel for Clearlake Shipping Ltd. BVI ("Clearlake"), defendant in the foregoing action. I have read the foregoing Verified Answer and know the contents thereof, and the same are true and correct to the best of my knowledge. I have reviewed documentation provided to me by Clearlake and corresponded with Clearlake's representatives regarding this matter. I am authorized by Clearlake to make this verification, and the reason for my making it as opposed to an officer or director of Clearlake is that there are none within the jurisdiction of this Honorable Court.

Sworn to before me this 18th day of June, 2008

Notary Public

#5409714_v1

Elvin Ramos Notary Public, State of New York NO. 01RA4870243

Qualified in Queens County Certificate filed in New York County Commission Expires September 2, 2010

6